

Federal Personnel Manual System**FPM Letter** 591-41**RETAIN UNTIL SUPERSEDED****SUBJECT:** Nonforeign Area Cost of Living Allowances for Puerto Rico and the Virgin Islands

Supersedes FPM Letter 591-38

Washington, D. C. 20415
April 23, 1982

Heads of Departments and Independent Establishments:

1. Introduction

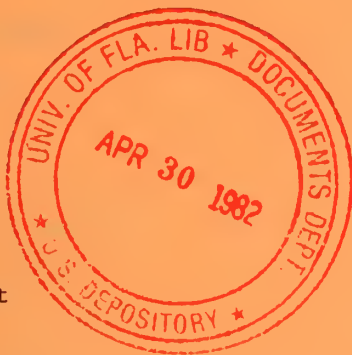
The Office of Personnel Management has completed its 1981 review of the cost of living allowances paid to eligible employees in Puerto Rico and the Virgin Islands. These allowances are paid under 5 U.S.C. 5941, Executive Order 10,000, as amended, and part 591 of the Office's regulations. This letter announces the results of the review.

2. Effective Date of Allowance Rate Adjustments

The effective date of the allowance rates shown in the attachment is the first pay period that begins on or after May 2, 1982.

3. General Information

Agencies are requested to inform employees in the areas concerned of the actions approved by the Office. When doing so you are urged to advise employees that the allowance rates are subject to change, up or down, after each review. It is also important that employees understand that the law does not provide for an allowance to compensate for increases in the cost of living, as such. Rather, the law provides for an allowance to compensate for the differences in living costs between Washington, D.C., and the nonforeign areas when living costs there are substantially higher than comparable costs in Washington, D.C.

Donald J. Devine
Director

Attachment

Inquiries: Allowances and Special Rates Division, Compensation Group, 202-632-8742
or ext. 28742**Code:** 591, Allowances and Differentials Payable in Nonforeign Areas**Distribution:** FPM

This attachment shows the cost of living allowance rates for each allowance category for those locations for which an allowance has been authorized by OPM. It also includes definitions of the allowance categories for use in determining employee eligibility for an allowance.

GEOGRAPHIC COVERAGE/ ALLOWANCE CATEGORY	INDEX	ALLOWANCE RATE
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COMMONWEALTH OF PUERTO RICO

(Both San Juan and Outside San Juan)

<u>Allowance Category</u>	<u>1981 Index</u>	<u>Authorized Allowance Rate</u>
Local Retail/ Private Housing	106.3	7.5%
Local Retail/ Federal Housing	106.3	7.5%
Commissary/PX/ Private Housing	100.9	-0-
Commissary/PX/ Federal Housing	100.9	-0-

VIRGIN ISLANDS

ST. CROIX

<u>Allowance Category</u>	<u>1981 Index</u>	<u>Authorized Allowance Rate</u>
Local Retail/ Private Housing	113.5	12.5%
Local Retail/ Federal Housing	107.3	7.5%
Commissary/PX/ Private Housing	None*	---
Commissary/PX/ Federal Housing	None*	---

ST. THOMAS and ST. JOHN

<u>Allowance Category</u>	<u>1981 Index</u>	<u>Authorized Allowance Rate</u>
Local Retail/ Private Housing	113.0	12.5%
Local Retail/ Federal Housing	105.7	5.0%
Commissary/PX/ Private Housing	None*	---
Commissary/PX/ Federal Housing	None*	---

*"None" - The allowance category does not exist in this allowance area. The appropriate local retail index and allowance rate applies depending on the type of housing occupied.

Definition of Commissary/PX Allowance Areas For Puerto Rico

The Commissary/PX rates will apply to those employees who fall into one of the categories based on the definitions on page 3 of this attachment and whose duty stations are located within a 50-mile radius by road from either Fort Buchanan or Roosevelt Roads. All employees whose duty stations are outside the 50-mile radius by road from the nearest of these installations will receive cost of living allowances based on the appropriate Local Retail rate.

Definitions of Allowance Categories

The following definitions of the various allowance categories identified in the table in this attachment shall be used in determining employee eligibility for the appropriate allowance rate:

<u>Allowance Category</u>	<u>Definition</u>
Local Retail/ Private Housing	This category includes those Federal employees who purchase goods and services from private retail establishments and who occupy housing units that are privately owned or rented. It also includes those employees who do not fall into one of the other allowance categories.
Local Retail/ Federal Housing	This category includes those Federal employees who purchase goods and services from private retail establishments and who occupy, as a result of their Federal civilian employment, housing units that are owned or leased by a Federal agency.
Commissary/PX/ Private Housing	This category includes those Federal employees who have unlimited access to and who use military commissary and exchange facilities stemming from their Federal civilian employment and who occupy housing units that are privately owned or leased.
Commissary/PX/ Federal Housing	This category includes those Federal employees who have unlimited access to and who use military commissary and exchange facilities stemming from their Federal civilian employment and who occupy, as a result of their Federal civilian employment, housing units that are owned or leased by a Federal agency.

Note: Eligibility for access to military commissary and exchange facilities is determined by the appropriate military department. If an employee is furnished commissary/exchange privileges for reasons associated with his or her Federal civilian employment, he or she will have an identification card that authorizes access to the facilities. Possession of such an identification card, i.e., one issued by reason of his or her Federal civilian employment, is sufficient evidence that the employee uses the facilities. Similarly, the fact that an employee who has been authorized to occupy a Federally owned or leased housing unit as a result of his or her Federal civilian employment actually occupies the unit is evidence that the unit is "used".

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